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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.						
09/045,518	03/20/98	VAN LUCHENE	A WD2-97-561						
022927 WALKER DIGITAL FIVE HIGH RIDGE PARK STAMFORD CT 06905		LM02/0606	<table border="1"><tr><td>EXAMINER</td></tr><tr><td>MYHRE, J</td></tr><tr><td>ART UNIT</td><td>PAPER NUMBER</td></tr><tr><td>2767</td><td>7</td></tr></table>	EXAMINER	MYHRE, J	ART UNIT	PAPER NUMBER	2767	7
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DATE MAILED: 06/06/00									

Please find below and/or attached an Office communication concerning this application or proceeding.

Commissioner of Patents and Trademarks

<b>Office Action Summary</b>	Application No. <b>09/045,518</b>	Applicant(s) <b>Van Luchene</b>
	Examiner <b>James Myhre</b>	Group Art Unit <b>2767</b>

- Responsive to communication(s) filed on Mar 20, 1998.
- This action is **FINAL**.
- Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11; 453 O.G. 213.

A shortened statutory period for response to this action is set to expire 3 month(s), or thirty days, whichever is longer, from the mailing date of this communication. Failure to respond within the period for response will cause the application to become abandoned. (35 U.S.C. § 133). Extensions of time may be obtained under the provisions of 37 CFR 1.136(a).

#### Disposition of Claims

- Claim(s) 1-24 is/are pending in the application.
- Of the above, claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- Claim(s) \_\_\_\_\_ is/are allowed.
- Claim(s) 1-24 is/are rejected.
- Claim(s) \_\_\_\_\_ is/are objected to.
- Claims \_\_\_\_\_ are subject to restriction or election requirement.

#### Application Papers

- See the attached Notice of Draftsperson's Patent Drawing Review, PTO-948.
- The drawing(s) filed on \_\_\_\_\_ is/are objected to by the Examiner.
- The proposed drawing correction, filed on \_\_\_\_\_ is  approved  disapproved.
- The specification is objected to by the Examiner.
- The oath or declaration is objected to by the Examiner.

#### Priority under 35 U.S.C. § 119

- Acknowledgement is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d).
- All  Some\*  None of the CERTIFIED copies of the priority documents have been
- received.
  - received in Application No. (Series Code/Serial Number) \_\_\_\_\_.
  - received in this national stage application from the International Bureau (PCT Rule 17.2(a)).

\*Certified copies not received: \_\_\_\_\_

- Acknowledgement is made of a claim for domestic priority under 35 U.S.C. § 119(e).

#### Attachment(s)

- Notice of References Cited, PTO-892
- Information Disclosure Statement(s), PTO-1449, Paper No(s). 4
- Interview Summary, PTO-413
- Notice of Draftsperson's Patent Drawing Review, PTO-948
- Notice of Informal Patent Application, PTO-152

--- SEE OFFICE ACTION ON THE FOLLOWING PAGES ---

## **DETAILED ACTION**

### ***Specification***

1. The disclosure is objected to because of the following informalities:
    - a. On page 1, lines 16-25, the serial numbers of the co-pending application need to be identified
    - b. On page 15, line 7, the word “betwenn” should be changed to “between”.
- Appropriate correction is required.

### ***Claim Rejections - 35 USC § 101***

2. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

3. Claims 1- 24 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter. Claims 1, 3, 5, and 7-15 recite a series of steps and are considered for the purpose of analysis under 35 U.S.C. 101 as reciting a series of steps. Further, the claims do not recite any pre- or post-computer activity but merely perform a series of steps of receiving data and manipulating the data, and is directed to non-statutory subject matter. A process is statutory if it requires physical acts to be performed outside of the computer independent of and following the steps performed by a programmed computer, where those acts involve the

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manipulation of tangible physical objects and result in the object having a different physical attribute or structure (*Diamond v. Diehr*, 450 U.S. at 187,209 USPQ at 8). Further, the claims merely manipulate an abstract idea or perform a purely mathematical algorithm (adding and rounding) without limitation to any practical application. A process which merely manipulates an abstract idea or performs a purely mathematical algorithm is non-statutory despite the fact that it might have some inherent usefulness (*Sakar*, 558 F.2d at 1335,200 USPQ at 139).

Claims 2, 4, 6, and 16-24 recite an apparatus (programmed computer) which performs the steps of the method claims above. Therefore, Claims 2, 4, 6, and 16-24 are analyzed based on the series of steps being performed.

Examiner notes that the preambles of all claims recite “processing a supplemental product sale” as their goal; however, none of the claims actually accomplish this goal. The goals would be accomplished and the claims deemed statutory if steps were added in which the purchase price for one or more items was received at the POS terminal, the price was totaled, a supplemental product was offered to the customer, a response was received from the customer, one or more rounding codes were received, the purchase price was rounded based on the rounding code, and the adjusting purchase price was paid by the customer.

***Claim Rejections - 35 USC § 103***

4. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

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(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

5. Claims 1-24 are rejected under 35 U.S.C. 103(a) as being unpatentable over Phillip Fiorini "No Place for a Penny".

Claims 1-6: Fiorini discloses several businesses, such as Kroger and Winn-Dixie supermarkets (page 1) and Christie's Cafe (page 2) which have been rounding off purchase prices. In these examples, the rounding code is inferred to be to the closest nickel (a rounding multiplier of 5 cents), and the purchase price is then rounded to eliminate the requirement for pennies. Furthermore, Examiner had first-hand experience with rounding the purchase price to eliminate receiving change in late 1950's and early 1960's at the local grocery store. As an example, if, when I purchased a soft drink (15 cents) and a chocolate bar (7 cents) for a total of 22 cents, I only had a quarter (25 cents), the grocer would offer one or more supplemental products (normally candy) in lieu of the 3 cents change due. This is not an isolated example. Many retail establishments offer the customer sticks of gum, etc. in order to round off the purchase price and to eliminate the need to handle small change.

Claims 7-24: Fiorini discloses rounding off purchase prices using rounding codes and multipliers as described in Claims 1-6 above, but does not explicitly disclose that the rounding code is also associated with a fixed price. Official Notice is taken that it is old and well known within the retail arts to set a fixed price for each product, supplemental or otherwise, and to associate the fixed price and rounding code (multiplier). Therefore, it would have been obvious

to one having ordinary skill in the art at the time the invention was made that when more than one supplemental product is selected by the customer to select one rounding code to use to round the purchase price and to charge the fixed price for other supplemental products. One would have been motivated to do this in order to prevent the customer from receiving the supplemental products at no cost. For instance, if the total purchase price was \$29.75 and the rounding multipliers (codes) for three supplemental products were \$1, \$5, and \$10, by applying the rounding multipliers in this order the adjusted purchase price would be \$30. The first rounding multiplier of \$1 would adjust the price to \$30. The second and third rounding factors would not adjust the purchase price since \$30 is a factor of both \$5 and \$10. Thus, the customer would get the second and third supplemental products at no additional cost.

### *Conclusion*

6. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

- a. Perseil et al (FR95 07963) discloses a system for offering supplemental products to customers at a POS based on purchased items. This feature is in the present specification, but not claimed.
- b. Kimura et al (4,120,452) discloses a system for use in a hotel room which eliminates the need for small change when the guest uses a vending system within the room, such as the

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refrigerator. This reference shows the general state of the art in dealing with the problem of eliminating change.

c. Bergeron (4,764,666) discloses a system which uses a programmable game card for online wagering, eliminating change by allowing the customer to place a wager using the amount due as change. This reference is loosely related to the present application.

d. Mori (5,200,889) discloses a system which eliminates small change from transaction by maintaining a refund account into which money due is deposited, and from which money owed is withdrawn, effectively rounding off the purchase price. This reference shows the general state of the art in dealing with the problem of eliminating change.

e. Rossides (5,269,521) discloses a system and method for using an Expected Value Payment Method to allow the customer to place a wager in order to reduce or eliminate the cost of one or more products. The customer can choose to round the total purchase price a specified amount (rounding multiplier) and use the difference as the wager. This reference shows the use of a rounding code (multiplier) as in Claims 1-24.

f. LeStrange et al (5,371,345) discloses a system which uses a change card in the place of change when using gaming machines. This reference shows the general state of the art in dealing with the problem of eliminating change.

g. Tran et al (5,440,108) discloses a system and method for using cash cards and is used to show the general state of the art of cash cards at the time the invention was made.

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h. Rademacher (5,450,938) discloses a vending apparatus which places the change due from cash onto a cash card carried by the customer, eliminating the need for the machine to make change. This reference is used to show the general state of the art in dealing with the problem of eliminating change.

i. Marceau et al (5,491,326) discloses a system which uses cash cards in a transaction terminal which may award incentive or redemption points to the customer. This reference is used to show the general state of the art of cash cards at the time the invention was made.

j. Curry et al (5,604,343) discloses a system and method for storing monetary equivalents using tokens and is used to show the general state of the art of cash cards at the time the invention was made.

k. Rossides (5,620,182) discloses a system and method for using an Expected Value Payment Method to allow the customer to place a wager in order to reduce or eliminate the cost of one or more products. The customer can choose to round the total purchase price a specified amount (rounding multiplier) and use the difference as the wager. This reference shows the use of a rounding code (multiplier) as in Claims 1-24.

l. Eleftheriou (5,869,826) discloses a system and method for coinless transactions which rounds the total purchase price and adds or withdraws the difference from a "change account". This reference could be used in support of a 35 U.S.C. 103 rejection of Claims 1-24 above; however, the reference's filing date is 3 months past the priority date of the present application.

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m. Blinn et al (5,999,914) discloses a system for promoting supplemental products at a POS. This reference is used to show the general state of the art of supplemental product sales at the time the invention was made.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Exr. James W. Myhre whose telephone number is (703) 308-7843. The examiner can normally be reached on weekdays from 6:00 a.m. to 3:30 p.m.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Tod Swann, can be reached on (703) 308-7791. The fax phone number for Formal or Official faxes to Technology Center 2700 is (703) 308-9051 or 9052. Draft or informal faxes for this Art Unit can be submitted to (703) 305-0040.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the Group receptionist whose telephone number is (703) 308-3900.

  
JWM  
May 31, 2000

GILBERTO BARRON, JR.  
PRIMARY EXAMINER  
ART UNIT 222 2767